



STATE OF WEST VIRGINIA
OFFICE OF THE ADJUTANT GENERAL
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WVNG-TAG

OCT 11 2016

**Recruitment, Relocation and
Retention Incentive Plan**

General Information:

The Office of Personnel Management (OPM) authorizes agencies to pay Recruitment, Relocation and Retention Incentives under 5 U.S.C. 5753 and 5754. These authorities were delegated to the Adjutants General by NGB-HRC (690-300), 21 June 1995, Subject: Decentralization of Personnel Authorities. The purpose of this plan is to satisfy the implementation requirements of the Code of Federal Regulations (CFRs) associated with Recruitment, Relocation and Retention Incentives.

The West Virginia National Guard Human Resources Office administers this policy with the delegated authority from The Adjutant General to the Human Resources Officer.

Contents (listed by paragraph number)

Topic	Paragraph
Chapter 1	
General Provisions	
Purpose	1-1
Policy	1-2
Scope	1-3
Responsibilities	1-4
 Chapter 2	
Recruitment Incentive	
Purpose	2-1
Newly Appointed	2-2
Covered Positions	2-3
Excluded Positions	2-4
When to Pay a Recruitment Incentive	2-5
Agency Plan	2-6
Amount and Type of Payment	2-7
Service Agreements	2-8

Topic	Paragraph
Termination or Reduction of Service Agreements	2-9
Documentation	2-10
Reporting Requirements	2-11
Accountability	2-12

Chapter 3

Relocation Incentive

Purpose	3-1
Relocation to a Different Geographic Area	3-2
Covered Positions	3-3
Excluded Positions	3-4
When to Pay a Relocation Incentive	3-5
Agency Plan	3-6
Amount and Type of Payments	3-7
Service Agreements	3-8
Termination or Reduction of Service Agreements	3-9
Documentation	3-10
Reporting Requirements	3-11
Accountability	3-12

Chapter 4

Retention Incentive

Purpose	4-1
Covered Positions	4-2
Excluded Positions	4-3
When to Pay a Retention Incentive	4-4
Retention Incentive Review Board	4-5
Agency Plan	4-6
Amount and Type of Payment	4-7
Service Agreement	4-8
Termination or Reduction of Service Agreements	4-9
Annual Review and Determination	4-10
Documentation	4-11
Reporting Requirements	4-12
Accountability	4-13

Appendix A

Attachment 1

Recruitment Incentive Request Form	5-1
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Attachment 2	
Recruitment Incentive Service Agreement	5-2
Attachment 3	
Relocation Incentive Service Agreement	5-3
Attachment 4	
Retention Incentive Nomination / Justification	5-4
Attachment 5	
Retention Incentive Service Agreement	5-5
Glossary	5-6

CHAPTER 1

GENERAL PROVISIONS

1-1. Purpose

This policy establishes justifiable and equitable procedures, and provides information on the recruitment, relocation, and retention incentives for technicians employed by the West Virginia National Guard.

1-2. Policy

It is the policy of the West Virginia National Guard that identified positions be filled by qualified candidates. The use of these incentives are intended to assist in achieving retention and readiness goals.

1-3. Scope

This policy encompasses identified positions in the Army and Air National Guard of the State of West Virginia. Approval of requests to offer any of these incentives will be made on a case-by-case basis, and will be based on the availability of funds. Incentives and performance awards are not entitlements, and will only be utilized for their intended purpose IAW 5 CFR part 575 and 5 CFR parts 451 and 531 (e). Just as performance awards may be awarded for exceeding expected performance levels; recruitment, relocation, and retention incentives may be given when all relevant conditions are accomplished with this policy.

1-4. Responsibilities

a. Authority for this policy rests with the Adjutant General. The Human Resources Officer (HRO) is responsible to The Adjutant General (TAG) for ensuring the basis and approval for any incentive is appropriate and fully documented. The HRO also ensures proper implementation of this policy, and has been delegated approval authority from the Adjutant General for requests submitted for any recruitment and/or relocation incentives. The Adjutant General is the final approval authority for retention incentives. All requests and justifications for incentives will be staffed against all state and local labor and economic reports, as well as the United States Bureau of Labor Statistics (www.bls.gov) when applicable.

b. The Human Resources Office will:

- (1) Develop, maintain, evaluate and if necessary, revise the policy bi-annually;
- (2) Ensure compliance with the policy;
- (3) Provide guidance and assistance to the recommending officials concerning their responsibilities under this policy; and
- (4) Ensure requests for incentives are properly staffed and evaluated.
- (5) Convene recruitment, retention and relocation review boards as necessary.

CHAPTER 2

RECRUITMENT INCENTIVE

2-1. Purpose

This chapter contains guidance implementing 5 U.S.C. 5753, which authorizes payment of recruitment incentives. An agency may pay a recruitment incentive to a newly appointed employee under the conditions specified in this chapter, provided the agency has determined the employee's position is likely to be difficult to fill in the absence of an incentive (5 CFR 575.101).

2-2. Newly Appointed

Newly appointed refers to (5 CFR 575.102):

- a. The first appointment, regardless of tenure, as an employee of the Federal Government;
- b. An appointment of a former employee of the Federal Government following a break in Federal Government service of at least 90 days; or
- c. An appointment of an individual in the Federal Government when his or her service in the Federal Government during the 90-day period immediately preceding the appointment was limited to one or more of the following:
 - (1) A time-limited appointment in the competitive or excepted service;
 - (2) A non-permanent appointment (excluding a Schedule C appointment under 5 CFR part 213) in the competitive or excepted service;
 - (3) An appointment as an expert or consultant under 5 U.S.C. 3109 and 5 CFR part 304;
 - (4) Employment under a provisional appointment designated under 5 CFR 316.403; or
 - (5) Employment under the Student Career Experience Program under 5 CFR 213.3202(b).

2-3. Covered Positions

Except as provided in paragraph 2-4, an agency may pay a recruitment incentive to an employee appointed or placed in the following categories of positions (5 CFR 575.103):

- a. A General Schedule (GS) position paid under 5 U.S.C. 5332 or 5305 (or similar special rate authority); or
- b. A prevailing rate position, (Federal Wage system [FWS] includes WG, WL and WS as defined in 5 U.S.C. 5342(a)(3).

2-4. Excluded Positions

An agency may not pay a recruitment incentive to an employee in:

- a. A position excepted from the competitive service by reason of its confidential, policy-determining, policy-making, or policy-advocating character; or

- b. Designated as the head of an agency; or
- c. In which the employee is expected to receive an appointment as the head of an agency (5 CFR 575.104).

2-5. When to Pay a Recruitment Incentive

- a. A recruitment incentive may be paid under the conditions prescribed in this chapter to an employee who is newly appointed to a position that is likely to be difficult to fill, as determined in paragraph 2-6.
- b. An agency may target groups of similar positions that have been difficult to fill in the past, or may be difficult to fill in the future, and make the required determination to offer a recruitment incentive to newly appointed employees on a group basis.
- c. An agency may not commence a recruitment incentive service agreement during:
 - (1) A period of employment established under any service agreement required for a relocation incentive under 5 CFR part 575, subpart B; or
 - (2) A period of employment established under any service agreement required for a retention incentive, or for which an employee receives retention incentive payments without a service agreement under 5 CFR part 575, subpart C.

2-6. Agency Plan

Recruitment incentive percentage and service agreement length will be requested by the first line supervisor through the supervisory chain to the HRO. The HRO will make a recommendation for final determination of recruitment incentives to the Adjutant General prior to execution. The Adjutant General is the final approval authority. The level of review will be at least one level higher than the first line supervisor.

- a. Justification must accompany any recommendation for recruitment incentive, outlining the critical hire basis for the position deemed hard to fill. When documentation arrives at HRO, it must include:
 - (1) The availability and quality of candidates possessing the competencies required for the position, including the success of recent efforts to recruit candidates for the position or similar positions using indicators such as offer acceptance rates, proportion of positions filled, and the length of time required to fill similar positions;
 - (2) The salaries typically paid outside the Federal Government for similar positions;
 - (3) Recent turnover in similar positions;
 - (4) Employment trends and labor-market factors that may affect the agency's ability to recruit candidates for similar positions;
 - (5) Special or unique competencies required for the position;
 - (6) Agency efforts to use non-pay authorities, such as special training and work scheduling flexibilities, to resolve difficulties alone or in combination with a recruitment incentive;
 - (7) The desirability of the duties, work or organizational environment, or geographic location of the position; and

(8) Other supporting factors specific to the position.

b. Justification must accompany any recommendation for recruitment incentive, outlining the basis for determining the length of the service agreement (at least six months, not to exceed four years).

2-7. Amount and Type of Payment

a. The total amount of recruitment incentive payments paid to an employee in a service period may not exceed 25 percent of the annual rate of basic pay of the employee at the beginning of the service period, multiplied by the number of years (including fractions of a year) in the service period (at least six months, not to exceed four years). The percentage will be proportionate to the length of the service agreement (5 CFR 575.110).

b. This agency will pay a recruitment incentive in biweekly installments throughout the service period required by the service agreement.

c. A recruitment incentive is not considered part of an employee's rate of basic pay for any purpose, including severance pay, and is not included in lump sum annual leave payments under 5 U.S.C. 5551 or 5552.

d. Payment of a recruitment incentive is subject to the aggregate limitation on pay under 5 CFR part 530, subpart B.

2-8. Service Agreements

a. After the selection is made and approved, HRO will notify the nominating official to complete the service agreement and forward to HRO for processing.

b. An employee selected to receive a recruitment incentive must sign a service agreement stating the terms, limitations, or conditions of service, prior to receiving any payments (5CFR 575.110). The service agreement will:

(1) State the beginning and ending dates of the service agreement period (service agreement periods must begin on the first day of a pay period and end on the last day of a pay period);

(2) State the total amount authorized for payment;

(3) State the method of payment of the incentive (the incentive payment will be paid in biweekly installments throughout the service period unless otherwise requested and approved);

(4) State the conditions under which the agency must terminate the service agreement (see paragraph 2-9b), and the consequences of decisions to terminate the service agreement;

c. The service agreement must be completed and approved in accordance with 5 CFR 575.110 prior to disbursement. Note: Leave Without Pay (LWOP) military time is considered creditable service toward the service agreement in accordance with 5 CFR 575.110 (f).

d. Incomplete or incorrect service agreements will be returned to the first line supervisor with explanation of deficiency.

2-9. Termination or Reduction of Service Agreements

Termination or reduction of a recruitment incentive may not be grieved or appealed. Termination or reduction may be discretionary or mandatory. The HRO will notify an employee in writing when it terminates a recruitment incentive service agreement.

a. *Discretionary Termination.* The agency may unilaterally terminate a recruitment incentive service agreement based solely on management needs of the organization. The employee is entitled to all recruitment incentive payments attributable to completed service, and to retain any portion of a recruitment incentive payment he or she received that is attributable to uncompleted service (5 CFR 575.111(e)).

b. *Mandatory Termination.* If the agency terminates the service agreement for mandatory reasons, the employee is entitled to retain recruitment incentive payments previously paid by the agency attributable to the completed portion of the service period. If the employee received recruitment incentive payments less than the amount that would be attributable to the completed portion of the service period, the agency is not obligated to pay the employee the amount attributable to completed service, unless the agency agreed to such payment under the terms of the recruitment incentive service agreement. If the employee received recruitment incentive payments in excess of the amount attributable to the completed portion of the service period, he or she must repay the excess amount, except when an authorized agency official waives the requirement to repay the excess amount when, in the judgment of the official, collection of the excess amount would be against equity and good conscience, and not in the best interest of the West Virginia National Guard.

(1) The agency must terminate a service agreement if the employee:

- (a) is demoted or separated for cause (i.e., for unacceptable performance or conduct);
- (b) receives a rating of record below "Fully Successful" or equivalent during the service agreement (5 CFR 575.111(b));
- (c) is assigned to a different position (See 5 CFR 575.111(a)); or
- (d) otherwise fails to fulfill the terms of the service agreement (i.e., loss of required licensing, loss of required security clearance).

(2) If an agency terminates a service agreement when an employee is separated as a result of material false or inaccurate statements or deception or fraud in examination or appointment, or as a result of failing to meet employment qualifications, the employee must repay all recruitment incentive payments received under that service agreement (5 CFR 575.111(f), 5 CFR 575.111(h) and 5 CFR 575.111(j)).

c. *Reduction Review.* The agency may reduce a recruitment incentive service agreement based solely on management needs. The agency must reduce or terminate the recruitment incentive when payment at the original level is no longer warranted.

d. The debt collection process for continuing employees is outlined in DoD 7000.14-R, Department of Defense Financial Management Regulation (DoDFMR), Volume 8, and the process for debtors no longer in Government service can be found in DoDFMR, Volume 5.

2-10. Documentation

a. HRO is responsible for ensuring each incentive is documented, and records are maintained in accordance with 5 CFR 575.113, and this plan.

b. HRO will maintain the original, and return a copy to the supervisor.

2-11. Reporting Requirements

a. Data from the Defense Civilian Personnel Data System (DCPDS) will be the primary source of statistical information on the use of incentive authorities.

b. The HRO will provide narrative reports on the use of incentive authorities as required, to meet OPM reporting requirements. (See 5 CFR 575.113(b)).

2-12. Accountability

a. HRO will:

(1) Ensure appropriate and effective use of these authorities to support mission requirements.

(2) Terminate recruitment incentive service agreements and recruitment incentive payments not consistent with this policy

(3) Maintain accurate records of determinations.

CHAPTER 3

RELOCATION INCENTIVE

3-1. Purpose

This chapter contains guidance implementing 5 U.S.C. 5753, which authorizes payment of relocation incentives. An agency may pay a relocation incentive to a current employee who must relocate to accept a position in a different geographic area under the conditions specified in this chapter, provided the agency determines the position is likely to be difficult to fill in the absence of an incentive (5 CFR 575.201).

3-2. Relocation to a Different Geographic Area

An agency may pay a relocation incentive when a current employee of the Federal Government must relocate to accept a position or assignment (permanent or temporary) in a different geographic area. A position is considered to be in a different geographic area if the worksite of the new position is 50 or more miles from the worksite of the position held immediately before the move. If the worksite of the new position is less than 50 miles from the worksite of the position held immediately before the move, but the employee must relocate (*i.e.*, establish a new residence) to accept the position, the HRO may waive the 50-mile requirement and pay the employee a relocation incentive, subject to the requirements of this chapter. In all cases, the employee must establish a residence in the new geographic area before the agency may pay a relocation incentive to the employee (5 CFR 575.205 (b)).

3-3. Covered Positions

Except as provided in paragraph 3-4, an agency may pay a relocation incentive to an employee appointed or placed in the following categories of positions (5 CFR 575.203):

- a. A General Schedule (GS) position paid under 5 U.S.C. 5332 or 5305 (or similar special rate authority); or
- b. A prevailing rate position, (Federal Wage system [FWS] includes WG, WL and WS as defined in 5 U.S.C. 5342(a)(3).

3-4. Excluded Positions

An agency may not pay a relocation incentive to an employee in:

- a. A position excepted from the competitive service by reason of its confidential, policy-determining, policy-making, or policy-advocating character; or
- b. Designated as the head of an agency; or
- c. In which the employee is expected to receive an appointment as the head of an agency (5 CFR 575.204).

3-5. When to Pay a Relocation Incentive

a. A relocation incentive may be paid under the conditions prescribed in this chapter to an employee who relocates to a different geographic area (permanently or temporarily) to accept a position in an agency that is likely to be hard to fill, as determined in paragraph 3-6.

b. A relocation incentive may be paid only when the employee's rating of record under an official performance appraisal or evaluation system is at least "Fully Successful", or equivalent, for the position held immediately before the move (CFR 575.205(c)).

c. An agency may commence a relocation incentive service agreement during a period of employment established under a service agreement for a previously authorized retention incentive, or for which an employee is receiving previously authorized retention incentive.

d. An agency may not commence a relocation incentive service agreement during:

(1) A period of employment established under any service agreement required for a recruitment incentive under 5 CFR part 575, subpart A; or

(2) A period of employment established under any service agreement required for a relocation incentive previously authorized under this chapter (5 CFR 575.205).

3-6. Agency Plan

Relocation incentive percentage and service agreement length will be requested by the first line supervisor through the supervisory chain to the HRO. The HRO will make recommendation for final determination of relocation incentives to the Adjutant General prior to payment. The Adjutant General is the final approval authority. The level of review will be at least one level higher than the first line supervisor.

a. Justification must accompany any recommendation for relocation incentives, outlining the critical hire basis for the position deemed hard to fill. When documentation arrives at HRO, it must include:

(1) A list of onboard eligibles to determine difficulty to fill, the success of recent efforts to recruit candidates for the position or similar positions, using indicators such as offer acceptance rates, proportion of positions filled, and the length of time required to fill similar positions;

(2) The salaries typically paid outside the Federal Government for similar positions;

(3) Recent turnover in similar positions;

(4) Employment trends and labor-market factors that may affect the agency's ability to recruit candidates for similar positions;

(5) Special or unique competencies required for the position;

(6) Agency efforts to use non-pay authorities, such as special training and work scheduling flexibilities, to resolve difficulties alone or in combination with a recruitment incentive;

(7) The desirability of the duties, work or organizational environment, or geographic location of the position; and

(8) Other supporting factors specific to the position.

b. Justification must accompany any recommendation for relocation incentives, outlining the basis for determining the length of the service agreement (at least six months, not to exceed four years).

3-7. Amount and Type of Payment

a. The total amount of relocation incentive payments paid to an employee in a service period may not exceed 25 percent of the annual rate of basic pay of the employee at the beginning of the service period, multiplied by the number of years (including fractions of a year) in the service period (not to exceed four years). The percentage will be proportionate to the length of the service agreement.

b. This agency will pay a relocation incentive in biweekly installments throughout the service period required by the service agreement.

c. A relocation incentive is not considered part of an employee's rate of basic pay for any purpose, including severance pay, and is not included in lump sum annual leave payments under 5 U.S.C. 5551 or 5552.

d. Payment of a relocation incentive is subject to the aggregate limitation on pay under 5 CFR part 530, subpart B.

3-8. Service Agreements

a. After the selection is made and approved, HRO will notify the nominating official to complete the service agreement and forward to HRO for processing.

b. An employee selected to receive a relocation incentive must sign a service agreement stating the terms, limitations, or conditions of service, prior to receiving any payments (5CFR 575.210). The service agreement will:

(1) State the beginning and ending dates of the service agreement period (service agreement periods must begin on the first day of a pay period and end on the last day of a pay period);

(2) State the total amount authorized for payment;

(3) State the method of payment of the incentive (the incentive payment will be paid in biweekly installments throughout the service period unless otherwise requested and approved);

(4) State the conditions under which the agency must terminate the service agreement (see paragraph 3-9b) and the consequences of decisions to terminate the service agreement;

(5) Document the employee's new position is not in the same geographic area as the worksite of the position held before the move (or that the HRO has approved a waiver under 5 CFR 575.205(b)); and

(6) Document the employee has established a residence in the new geographic area.

c. The service agreements must be completed and approved in accordance with 5 CFR 575.210 prior to disbursement (Note: LWOP military time is considered creditable service toward the service agreement);

3-9. Termination or Reduction of Service Agreements

Termination or reduction of a relocation incentive may not be grieved or appealed. Termination or reduction may be discretionary or mandatory. HRO will notify an employee in writing when it terminates a relocation incentive service agreement.

a. *Discretionary Termination*. The agency may unilaterally terminate a relocation incentive service agreement based solely on management needs. The employee is entitled to all relocation incentive payments attributable to completed service, and to retain any portion of a relocation incentive payment he or she received that is attributable to uncompleted service (5 CFR 575.211(e)).

b. *Mandatory Termination*. If the agency terminates the service agreement for mandatory reasons, and the employee received relocation incentive payments less than the amount attributable to the completed portion of the service period, the agency is not obligated to pay the employee the amount attributable to completed service, unless the agency agreed to such payment under the terms of the relocation incentive service agreement. If the employee received relocation incentive payments in excess of the amount attributable to the completed portion of the service period, he or she must repay the excess amount, except when an authorized agency official waives the requirement to repay the excess amount when, in the judgment of the official, collection of the excess amount would be against equity and good conscience, and not in the best interest of the West Virginia National Guard (5 CFR 575.211(f) and 5 CFR 575.211(h)). The agency must terminate a service agreement if the employee:

- (1) Is demoted or separated for cause (i.e., for unacceptable performance or conduct);
- (2) Receives a rating of record below "Fully Successful", or equivalent, during the service agreement;
- (3) Is assigned to a different position (See 5 CFR 575.211(a)); or
- (4) Otherwise fails to fulfill the terms of the service agreement (i.e., loss of required licensing, loss of required security clearance).

c. *Reduction Review*. The agency may reduce a relocation incentive service agreement based solely on management needs. The agency must reduce or terminate the relocation incentive when payment at the original level is no longer warranted.

d. The debt collection process for continuing employees is outlined in DoD 7000.14-R, Department of Defense Financial Management Regulation (DoDFMR), Volume 8, and the process for debtors no longer in Government service can be found in DoDFMR, Volume 5.

3-10. Documentation

a. HRO is responsible for ensuring each incentive is documented, and records are maintained in accordance with 5 CFR 575.213, and this plan.

b. HRO will maintain the original, and return a copy to the supervisor.

3-11. Reporting Requirements

a. Data from the Defense Civilian Personnel Data System (DCPDS) will be the primary source of statistical information on the use of incentive authorities.

b. The HRO will provide narrative reports on the use of incentive authorities as required, to meet OPM reporting requirements. (See 5 CFR 575-213(b)).

3-12. Accountability

a. The HRO will:

(1) Ensure appropriate and effective use of these authorities to support mission requirements.

(2) Terminate relocation incentive service agreements and relocation incentive payments not consistent with this policy; and

(3) Maintain accurate records of determinations.

CHAPTER 4

RETENTION INCENTIVE

4-1. Purpose

This chapter contains guidance implementing 5 U.S.C. 5754, which authorizes payment of retention incentives. (An agency may pay a retention incentive to a current employee under the conditions specified in this chapter when an agency determines the unusually high or unique qualifications of the employee, or a special need of the agency for the employee's services, makes it essential to retain the employee, and the employee would be likely to leave in the absence of an incentive (5 CFR 575.301)).

4-2. Covered Positions

Except as provided in paragraph 4-3, an agency may pay a retention incentive to an employee appointed or placed in the following categories of positions:

- a. A General Schedule (GS) position paid under 5 U.S.C. 5332 or 5305 (or similar special rate authority); or
- b. A prevailing rate position, (Federal Wage system [FWS] includes WG, WL and WS as defined in 5 U.S.C. 5342(a)(3).

4-3. Excluded Positions

An agency may not pay a retention incentive to an employee in:

- a. A position excepted from the competitive service by reason of its confidential, policy-determining, policy-making, or policy-advocating character; or
- b. Designated as the head of an agency; or
- c. In which the employee is expected to receive an appointment as the head of an agency (5 CFR 575.304).

4-4. When to Pay a Retention Incentive

a. An agency may pay a retention incentive to an individual employee under the conditions prescribed in this chapter when the agency determines that:

- (1) The unusually high or unique qualifications (i.e., competencies) of the employee, or a special need of the agency for the employee's services, makes it essential to retain the employee; and
- (2) The employee would be likely to leave the Federal Service in the absence of a retention incentive.

b. An agency may pay a retention incentive to a group or category of employees under the conditions prescribed in this chapter when the agency determines that:

(1) The unusually high or unique qualifications (*i.e.*, competencies) of the group or category of employees, or a special need of the agency for the employees' services, makes it essential to retain the employees in that group or category; and

(2) There is a high risk a significant number of the employees in the group would be likely to leave the Federal service in the absence of a retention incentive.

c. An agency may not include in a group retention incentive authorization for an employee covered by paragraph 4-3 of this chapter.

d. A retention incentive may be paid only when the employee's rating of record (or an official performance appraisal or evaluation under a system not covered by 5 U.S.C. chapter 43 or 5 CFR part 430) is at least "Fully Successful" or equivalent (5 CFR 575.305).

4-5. Retention Incentive Review Board

a. The Incentive Review Board, will make recommendation for final determination of retention incentives to The Adjutant General prior to payment. The Adjutant General is the final approval authority. The intent of the Retention Incentive Review Board is to ensure justifiable, equitable, and unbiased consideration for retention incentives, while at the same time taking into account all relevant research and consideration for the West Virginia National Guard.

b. The Retention Incentive Review Board will consist of senior level members of the West Virginia Army and Air National Guard with an overall visibility of the needs, and current state of affairs, of the organization. These members will at a minimum be the:

- (1) Director of Joint Staff
- (2) Judge Advocate General
- (3) Director of Staff - Air
- (4) A Senior Officer of the Army National Guard (O-6)
- (5) A Senior Officer of the Air National Guard (O-6)
- (6) A Senior Enlisted Leader of the Army National Guard (E-9); and
- (7) A Senior Enlisted Leader of the Air National Guard (E-9)

c. No service agreement will be signed by the nominated employee prior to The Adjutant General approval.

4-6. Agency Plan

Nominating official (usually the first line supervisor) will recommend employees for retention incentives through their supervisory chain, to the HRO no later than **1 December** of each year. The HRO will validate data, provide Technician pay history, and forward to the Retention Incentive Review Board, which meets every **January**. The Retention Incentive Review Board will forward its recommendation for final determination no later than **1 February** of each year to The Adjutant General, who will approve or disapprove each nomination on a case-by-case basis. Incentives may be paid only when the employee's rating of record (or official performance

appraisal or evaluation under a system not covered by 5 U.S.C. Chapter 43 or 5 CFR Part 430) for the previous 12 months is at least "Fully Successful" or equivalent (5 CFR 575.305(d) and 575.315(b) (2)). Justification must accompany any recommendation for a retention incentive (either individual or group). The level of review will be at least one level higher than the recommending official.

- a. *Factors for authorizing a retention incentive for an individual employee.* The recommending official, HRO and Retention Incentive Review Board must consider the following factors, in determining whether the unusually high or unique qualifications of an employee, or a special need of the agency for an employee's services, makes it essential to retain the employee; and the employee would be likely to leave the Federal service in the absence of a retention incentive.

When documentation arrives at HRO, it must include:

- (1) Employment trends and labor market factors such as the availability and quality of candidates in the labor market possessing the competencies required for the position, and who, with minimal training, cost, or disruption of service to the public, could perform the full range of duties and responsibilities of the employee's position at the level performed by the employee;
- (2) The success of recent efforts to recruit candidates and retain employees with competencies similar to those possessed by the employee for positions similar to the position held by the employee;
- (3) Special or unique competencies required for the position;
- (4) Agency efforts to use non-pay authorities, such as special training and work scheduling flexibilities, to resolve difficulties alone, or in combination with a recruitment incentive;
- (5) The desirability of the duties, work or organizational environment, or geographic location of the position; and
- (6) The extent to which the employee's departure would affect the agency's ability to carry out an activity, perform a function, or complete a project the agency deems essential to its mission;
- (7) The salaries typically paid outside the Federal government for similar positions; and
- (8) Other supporting factors specific to the position (5 CFR 575.306).

- b. *Factors for authorizing a retention incentive for a group or category of employees.*

(1) The recommending official, reviewer and Incentive Review Board must consider the factors in paragraph 4-5a of this chapter as they relate to determining whether a group or category of employees:

(a) Has unusually high or unique qualifications (i.e. , competencies), or the agency has a special need for the employees' services, that makes it essential to retain the employees in that category; and

(b) It is reasonable to presume there is a high risk a significant number of employees in the targeted category would be likely to leave the Federal service in the absence of a retention incentive.

(2) An agency must narrowly define a targeted category of employees using factors that relate to the conditions described in paragraph 4-5 b (1) of this section. Factors that may be appropriate include the following:

- (a) Occupational series;

- (b) Grade level;
- (c) Distinctive job duties;
- (d) Unique competencies required for the position;
- (e) Assignment to a special project;
- (f) Minimum agency service requirements;
- (g) Organization or team designation;
- (h) Geographic location; and
- (i) Required rating of record. (While a rating of record of higher than the "Fully Successful" rating of record required by §575.305(d) may be a factor used in defining the targeted category, a rating of record by itself is not sufficient to justify a retention incentive. A rating of record may function as a supporting factor in authorizing an incentive, or setting the incentive rate, only to the extent it directly relates to the conditions in paragraph 4-5a of this chapter)(5 CFR 575. 306(c)(2)).

c. An agency may not offer or authorize a retention incentive for an individual prior to employment with the agency.

4-7. Amount and Type of Payment

a. The Incentive Review Board must establish a single retention incentive rate for each individual or group of employees, expressed as a percentage of the employee's rate of basic pay. Without an OPM waiver (5 CFR 575.309(e)), a retention incentive rate may not exceed:

- (1) 25 percent, if authorized for an individual employee; or
- (2) 10 percent, if authorized for a group or category of employees.

b. All retention incentives will be paid:

- (1) In biweekly installments, derived by multiplying the rate of basic pay the employee earns biweekly by the percentage established for the employee (5 CFR 575.309(c) (1)); and
- (2) At the full retention incentive percentage rate established for the employee by the Retention Incentive Review Board.

c. An agency may not pay a retention incentive in advance of fulfilling the service for each pay period the retention incentive is being paid.

d. An agency may not initiate a group or individual retention incentive service agreement during:

- (1) A period of employment established under any service agreement required for the payment of a recruitment incentive under 5 CFR part 575, subpart A, or
- (2) A relocation incentive under 5 CFR part 575, subpart B, (see paragraph 3-5c); or
- (3) A period of employment established under a service agreement for a previously authorized retention incentive (including a group retention incentive agreement).

e. A retention incentive is not considered part of an employee's rate of basic pay for any purpose, including severance pay, and is not included in lump sum annual leave payments under 5 U.S.C. 5551 or 5552.

f. Payment of a retention incentive is subject to the aggregate limitation on pay under 5 CFR part 530, subpart B.

4-8. Service Agreement

a. An employee selected to receive a retention incentive (including those under a group incentive) must sign a service agreement stating the terms, limitations, or conditions of service, prior to receiving any payments. The standard service agreement is 12 months of continued employment with the West Virginia National Guard. The service agreement will:

(1) State the beginning and ending dates of the service agreement period. Service agreement periods must begin on the first day of a pay period and end on the last day of a pay period,

(2) State the total percentage rate authorized for payment by the Incentive Review Board,

(3) State the method of payment of the incentive (the incentive will be paid in biweekly installments during the service agreement);

(4) State the conditions under which the agency must terminate the agreement (see paragraph 4-9b), and the consequences of decisions to terminate the service agreement.

b. The service agreements must be completed and approved in accordance with (5 CFR 575.310) prior to disbursement.

4-9. Termination or Reduction of Service Agreements

Termination or reduction of a retention incentive may not be grieved or appealed. Termination or reduction may be discretionary or mandatory. HRO will notify an employee in writing when it terminates a retention incentive service agreement.

a. *Discretionary Termination.* The agency may unilaterally terminate a retention incentive service agreement based solely on the management needs of the agency, even if the conditions giving rise to the original determination to pay the incentive still exist. The employee is entitled to all retention incentive payments attributable to completed service, and to receive any portion of a retention incentive payment owed by the agency for completed service (5 CFR 575.311(c)).

b. *Mandatory Termination.* The employee is entitled to retain retention incentive payments previously paid by the agency attributable to the completed portion of the service period. If the employee received retention incentive payments less than the amount that would be attributable to the completed portion of the service period, the agency is not obligated to pay the employee the amount attributable to completed service, unless the agency agreed to such payment under the terms of the retention incentive service agreement. The agency must terminate a service agreement if the employee:

(1) Is demoted or separated for cause (i.e., for unacceptable performance or conduct);

(2) Receives a rating of record below "Fully Successful", or equivalent, during the service agreement (575.315(b) (2));

- (3) Is assigned to a different position (See 5 CFR 575.311(a)); or
- (4) Otherwise fails to fulfill the terms of the service agreement (i.e., loss of required licensing, loss of required security clearance).

c. *Reduction Review.* The agency may reduce a retention incentive service agreement based solely on management needs. The agency must reduce or terminate the retention incentive when payment at the original level is no longer warranted after considering factors such as:

- (1) Whether a retention incentive is needed to retain the employee (or group of employees);
- (2) Whether labor-market factors make it more likely (or reasonably likely) to recruit a candidate with competencies similar to those possessed by the employee (or group of employees); or
- (3) Whether the agency's need for the services of the employee (or group or category of employees) has been reduced to a level that makes it unnecessary to continue paying a retention incentive.

d. The debt collection process for continuing employees is outlined in DoD 7000.14-R, Department of Defense Financial Management Regulation (DoDFMR), Volume 8, and the process for debtors no longer in Government service can be found in DoDFMR, Volume 5.

4-10. Annual Review and Determination

a. The Retention Incentive Review Board will annually review retention incentive requests and forward recommendations to The Adjutant General by **1 February** each year. Retention incentives will terminate at the end of the 12 month service agreement. Retention incentive requests will be submitted on an annual basis.

b. Retention incentive requests will be reviewed using paragraph 4-6a and 4-9c for guidance. Nominating officials will recommend employees for retention incentives to the HRO no later than **1 December** of each year. HRO will validate data, provide Technician pay history, and forward to the Retention Incentive Review Board which meets every **January**.

4-11. Documentation

a. HRO is responsible for ensuring each retention incentive is documented, and records are maintained in accordance with 5 CFR 575.313, and this plan.

b. HRO will maintain the original, and return a copy to the supervisor.

4-12. Reporting Requirements

a. Data from the Defense Civilian Personnel Data System (DCPDS) will be the primary source of statistical information on the use of retention incentive authorities.

b. The HRO will provide narrative reports on the use of retention incentive authorities as required, to meet OPM reporting requirements. (See 5 CFR 575-313(b)).

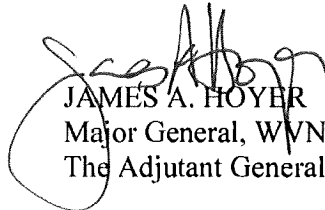
4-13. Accountability

a. HRO will:

- (1) Ensure appropriate and effective use of this authority
- (2) Validate data, provide Technician pay history, and forward to the Retention Incentive Review Board, which meets annually.
- (3) Terminate retention incentive service agreements and retention incentive payments not consistent with this policy; and
- (4) Maintain accurate records of determinations.

b. The first line supervisor, through the supervisory chain will:

- (1) Annually review and submit retention incentive requests that may need to continue beyond one year.
- (2) Notify HRO of any conditions that have changed since the incentive was authorized.
- (3) Maintain accurate records of determinations.


JAMES A. HOYER
Major General, WVNG
The Adjutant General

**APPENDIX A
ATTACHMENT 1**

RECRUITMENT INCENTIVE REQUEST CHECKLIST

(Attach to Fill Position SF 52)

I. INDIVIDUAL INFORMATION

Name _____ SSAN _____

Proposed Effective Date _____ Pay Plan-Series-Grade _____

Position Title _____

Name and Location of Technician Organization _____

II. DETERMINATION OF THE AMOUNT AND TIMEFRAME OF RECRUITMENT INCENTIVE

Requested Percentage (NTE 25%) _____

Service period (at least six months, NTE four years) _____

III. JUSTIFICATION (to be completed by nominating official)

Describe in detail all of the following criteria: Failure to address all items will result in the nomination being returned **without action**. Information regarding the following areas may be continued on additional pages:

1) The availability and quality of candidates possessing the competencies required for the position, including the recent efforts to recruit candidates for the position or similar positions using indicators such as offer acceptance rates, proportion of positions filled, and the length of time required to fill similar positions.

2) The salaries typically paid outside the Federal Government for similar positions.

3) Employment trends and labor market factors that may affect the agency's ability to recruit candidates for similar positions. What source was used?

4) Success of recent efforts to recruit candidates and retain employees with similar qualifications, and the availability of qualified candidates in the labor market.

5) Special or unique competencies required for the position.

6) Agency efforts to use non-pay authorities, such as special training and work scheduling flexibilities.

7) The desirability of the duties, work or organizational environment, or geographic location of the position.

8) Other supporting factors specific to the position.

IV. NOMINATING OFFICIAL

Name/Title _____

Signature _____

Date _____ Telephone _____

V. IMMEDIATE SUPERVISORY CHAIN

Name/Title _____

Signature _____

Date _____ Telephone _____

VI. INTERMEDIATE SUPERVISORY CHAIN

Name/Title _____

Signature _____

Date _____ Telephone _____

VII. BUDGET OFFICER / FINANCIAL MANAGER

I certify funds are / are not available for this action.

Name/Title _____

Signature _____

Date _____ Telephone _____

VIII. HUMAN RESOURCES OFFICER Approve _____ Disapprove _____

Name/Title _____

Signature _____

Date _____ Telephone _____

**APPENDIX A
ATTACHMENT 2**

RECRUITMENT INCENTIVE SERVICE AGREEMENT

I, _____, accept a recruitment incentive of _____ %
(\$ _____) to be assigned to the position of _____
GS or FWS _____, Position Description Number _____, in
_____ (unit and address).

I agree to complete a _____ month period of employment with the West Virginia
Army/Air National Guard Technician Program in the aforementioned position. I understand this
agreement will be terminated if I am demoted, separated for cause, receive a rating of record of
less than "Fully Successful", or otherwise fail to maintain eligibility. The period of employment
will begin _____ and end _____. The incentive will be paid
in biweekly installments of \$ _____. I understand I will be required to repay the
recruitment incentive if I do not complete this period of service in accordance with the
provisions set forth in 5 USC 5753 and 5 CFR 575, subpart A.

Technician Signature

Date Agreement Executed

**APPENDIX A
ATTACHMENT 3**

RELOCATION INCENTIVE SERVICE AGREEMENT

I, _____, accept a relocation incentive of _____ %
(\$ _____) to be assigned to the position of _____
GS or FWS _____, Position Description Number _____, in
_____ (unit and address).

I agree to complete a _____ month period of employment with the West Virginia
Army/Air National Guard Technician Program in the aforementioned position. I understand this
agreement will be terminated if I am demoted, separated for cause, receive a rating of record of
less than "Fully Successful", or otherwise fail to maintain eligibility. The period of employment
will begin _____ and end _____. The incentive will be paid
in biweekly installments of \$ _____. I understand I will be required to repay the relocation
incentive if I do not complete this period of service in accordance with the provisions set forth in
5 USC 5753 and 5 CFR 575, subpart B.

NOMINATING OFFICIAL

Printed Name _____ Grade _____
Signature _____ Title _____
Date _____ Phone Ext _____

BUDGET OFFICER / FINANCIAL MANAGER

I certify funds are / are not available for this action.

Name/Title _____
Signature _____
Date _____ Telephone _____

HUMAN RESOURCES OFFICER Approve _____ Disapprove _____
Printed Name _____ Grade _____
Signature _____ Title _____
Date _____ Phone Ext _____

Technician Signature

Date Agreement Executed

**APPENDIX A
ATTACHMENT 4**

RETENTION INCENTIVE NOMINATION/JUSTIFICATION

I. INDIVIDUAL INFORMATION

Name _____ SSAN _____

Proposed Effective Date _____ Pay Plan-Series-Grade _____

Position Title _____

Name and Location of Technician Organization _____

Last Appraisal Rating _____ Appraisal Dated _____

Duty Station _____

II. DETERMINATION OF THE AMOUNT OF RETENTION INCENTIVE

Requested Percentage _____

III. JUSTIFICATION (to be completed by nominating official)

Describe in detail all of the following criteria: Failure to address all items will result in the nomination being returned **without action**. Information regarding the following areas may be continued on additional pages:

1) Unusually high or unique qualifications of the employee; or a special need for the employees services.

2) Extent to which the employee's departure would affect the West Virginia National Guard's ability to carry out an activity, or perform a function essential to the mission of the West Virginia National Guard.

3) Employment trends and labor market factors. What source was used?

4) Success of recent efforts to recruit candidates and retain employees with similar qualifications, and the availability of qualified candidates in the labor market.

5) Special or unique competencies required for the position.

6) Agency efforts to use non-pay authorities, such as special training and work scheduling flexibilities.

7) The desirability of the duties, work or organizational environment, or geographic location of the position.

8) The salaries typically paid outside the Federal government for similar positions. What source was used?

9) Describe any other supporting factors specific to the position.

IV. NOMINATING OFFICIAL CERTIFICATION

I concur/nonconcur, in the absence of a retention incentive, the employee would likely leave federal service. The applicant will sign the Retention Incentive Service Agreement upon TAG approval.

Name/Title _____
Signature _____
Date _____ Telephone _____

V. BUDGET OFFICER / FINANCIAL MANAGER

I certify funds are / are not available for this action.

Name/Title _____
Signature _____
Date _____ Telephone _____

VI. INCENTIVE REVIEW BOARD CERTIFICATION

The Retention Incentive Review Board concurs/nonconurs, in the absence of a retention incentive, the employee would likely leave Federal Service.

Name/Title _____
Signature _____
Date _____ Telephone _____

VII. TAG CERTIFICATION

I approve/disapprove this request.

Printed Name _____
Signature _____
Date _____ Telephone _____

VIII. HUMAN RESOURCES OFFICE USE ONLY

Nature of Action: **RETENTION INCENTIVE** - Authority 5 USC 5754

Effective Date _____

Retention Incentive Percentage and Amount _____

[Annual Rate of Basic Pay x Recruitment Incentive % =

Incentive Amount]

Remarks _____

REVIEWS/APPROVAL

I certify the information entered on this form is accurate, and the proposed action is in compliance with statutory and regulatory requirements.

HUMAN RESOURCES SPECIALIST

Name/Title _____

Signature _____

Date _____

DIRECTOR OF HUMAN RESOURCES

Name/Title _____

Signature _____

Date _____

**APPENDIX A
ATTACHMENT 5**

RETENTION INCENTIVE SERVICE AGREEMENT

I, _____, accept a retention incentive of _____ %
(\$ _____) to be assigned to the position of _____
GS or FWS _____, Position Description Number _____, in
_____ (unit and address).

I agree to complete a 12 month period of employment with the West Virginia Army/Air National Guard technician program in the aforementioned position. I understand this agreement will be terminated if I am demoted, separated for cause, receive a rating of record of less than "Fully Successful", or otherwise fail to maintain eligibility. The period of employment will begin _____ and end _____. The incentive will be paid in biweekly installments of \$ _____. I understand I will be required to repay the retention incentive if I do not complete this period of service in accordance with the provisions set forth in 5 USC 5753 and 5 CFR 575, subpart C.

RECOMMENDING OFFICIAL

Printed Name _____ Grade _____
Signature _____ Title _____
Date _____ Phone Ext _____

HUMAN RESOURCES OFFICER Approve _____ Disapprove _____
Printed Name _____ Grade _____
Signature _____ Title _____
Date _____ Phone Ext _____

Technician Signature

Date Agreement Executed